

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2702 – SB 3132

January 26, 2012

SUMMARY OF BILL: Requires local education agencies (LEAs), in the event a budget reduction becomes necessary, to first cut funds allocated to professional organizations as dues or other purposes.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Any fiscal impact of this bill is based on the need for LEA budget reductions. If LEAs are contracting with professional organizations for required services such as professional development, LEAs will transfer money from other budget items in order to perform the service with existing LEA staff and programs. This situation will not occur in every LEA and the amount of the transfer will range from \$1,000 to over \$100,000.

Assumptions:

- The fiscal impact of this bill is predicated on the need for LEA budget reductions.
- The timing and amount of future LEA budget reductions cannot presently be reasonably quantified.
- According to the Comptroller of the Treasury, the Shelby County school system indicated that funds it appropriates to professional organizations for services such as professional development varied from \$10,000 to over \$100,000 annually.
- According to the Department of Education, the total amount allocated to professional organizations in FY10-11 was \$2,450,711.
- No change in BEP funding or local BEP match.
- No fiscal impact on state expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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